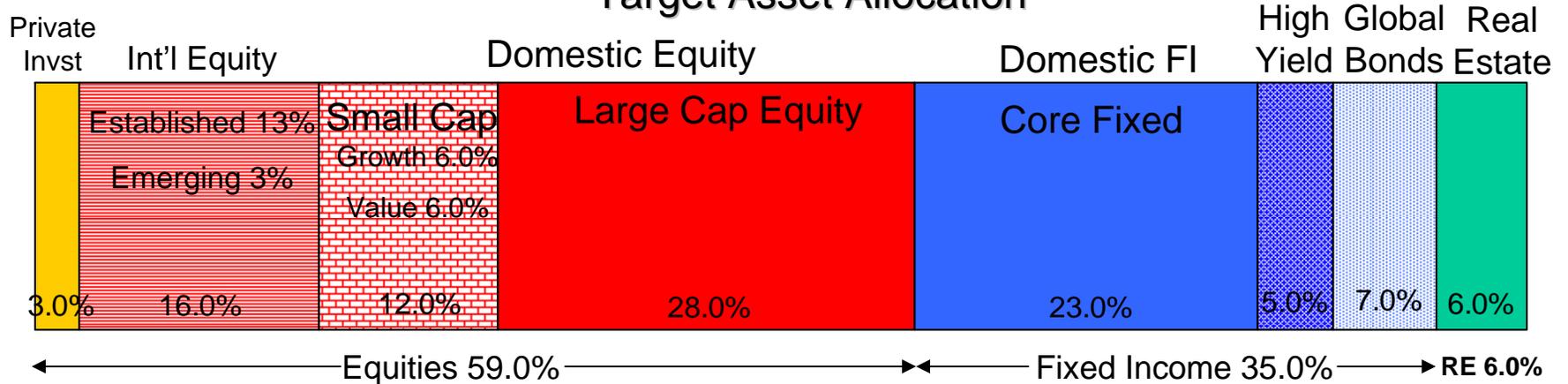


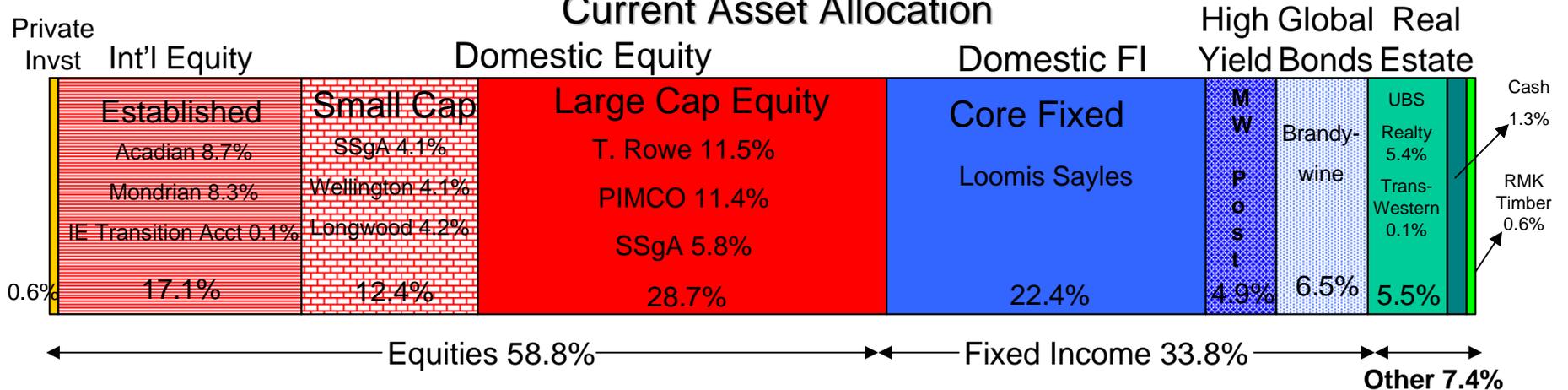
Plan Asset Allocation

As of December 31, 2005

Target Asset Allocation



Current Asset Allocation



Asset Breakdown

	Dom Large Cap	Dom Small Core	Dom Small Value	Dom Small Growth	Core Fixed	High Yield	Int'l Equity	Global Bonds	Real Estate	Private Investment	Misc	Cash	Total
Composite	\$336,290	\$48,266	\$47,867	\$49,115	\$257,994	\$55,812	\$200,625	\$76,151	\$64,228	\$5,634	\$7,434	\$24,369	\$1,173,785
T. Rowe	134,832	0	0	0	0	0	0	0	0	0	0	0	\$134,832
PIMCO	133,545	0	0	0	0	0	0	0	0	0	0	0	\$133,545
SSgA	67,887	0	0	0	0	0	0	0	0	0	0	0	\$67,887
LC Transition Account	26	0	0	0	0	0	0	0	0	0	0	352	\$378
SSgA 2500	0	48,224	0	0	0	0	0	0	0	0	0	0	\$48,224
Wellington	0	0	47,865	0	0	0	0	0	0	0	0	0	\$47,865
Longwood	0	0	0	49,107	0	0	0	0	0	0	0	0	\$49,107
SC Transition Account	0	42	2	8	0	0	0	0	0	0	0	328	\$380
Acadian	0	0	0	0	0	0	101,597	0	0	0	0	0	\$101,597
Mondrian	0	0	0	0	0	0	97,829	0	0	0	0	0	\$97,829
IE Transition Account	0	0	0	0	0	0	1,199	0	0	0	0	130	\$1,329
Loomis	0	0	0	0	257,994	0	0	0	0	0	0	5,304	\$263,298
MW Post	0	0	0	0	0	55,812	0	0	0	0	0	1,371	\$57,183
Brandywine	0	0	0	0	0	0	0	76,151	0	0	0	0	\$76,151
Deutsche (Cash)	0	0	0	0	0	0	0	0	0	0	0	28	\$28
UBS Realty	0	0	0	0	0	0	0	0	63,578	0	0	0	\$63,578
Transwestern	0	0	0	0	0	0	0	0	650	0	0	0	\$650
Henderson (Cash)	0	0	0	0	0	0	0	0	0	0	0	15,098	\$15,098
RM Timber (Dollars in 1000's)	0	0	0	0	0	0	0	0	0	0	7,434	0	\$7,434
Vermont Investment	0	0	0	0	0	0	0	0	0	5,634	0	1,095	\$6,729
Vermont Cash	0	0	0	0	0	0	0	0	0	0	0	663	\$663

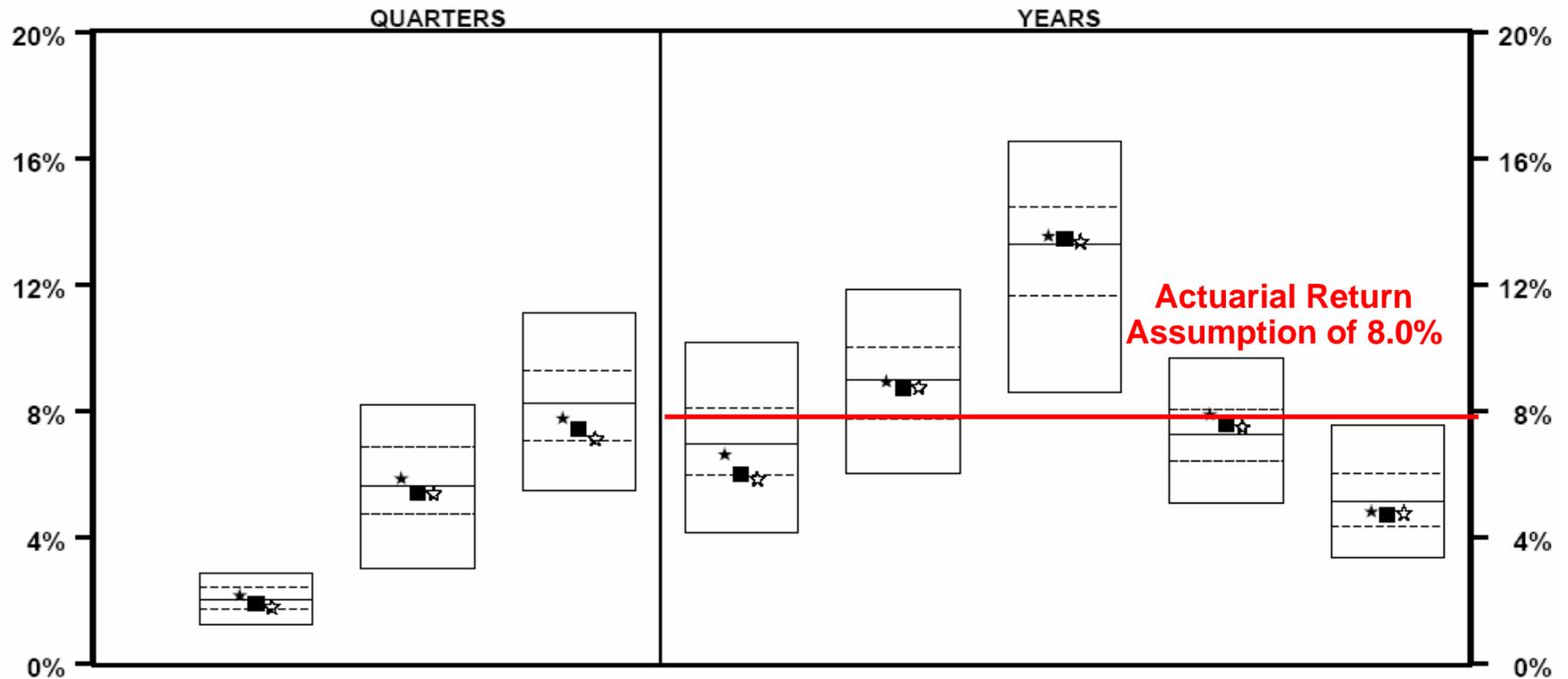
Total Fund Asset Growth Summary

As of December 31, 2005

	<u>LAST QUARTER</u>	<u>YEAR TO DATE</u>	<u>LAST 12 MONTHS</u>	<u>SINCE INCEPTION 3/01</u>
BEGINNING MARKET VALUE	1, 154, 562	1, 118, 630	1, 118, 630	934, 947
NET EXTERNAL GROWTH	- 5, 949	- 18, 227	- 18, 227	- 89, 750
RETURN ON INVESTMENT	25, 172	73, 382	73, 382	328, 588
INCOME RECEIVED	6, 387	31, 086	31, 086	117, 478
GAIN/LOSS	18, 785	42, 296	42, 296	211, 109
ENDING MARKET VALUES	1, 173, 785	1, 173, 785	1, 173, 785	1, 173, 785
Return	+2.2%	+6.6%	+6.6%	

Total Public Funds – Total Rates of Return

As of December 31, 2005



	LAST QTR	LAST 2 QTRS	LAST 3 QTRS	LAST YEAR	LAST 2 YEARS	LAST 3 YEARS	LAST 4 YEARS	LAST 5 YEARS
★ ERS COMPOSITE	2.2 36	5.9 45	7.8 54	6.6 61	8.9 54	13.5 40	7.9 28	4.8 55
■ ALLOC INDEX	1.9 63	5.4 56	7.4 69	6.0 74	8.7 57	13.5 41	7.6 38	4.7 61
☆ POLICY INDEX	1.8 71	5.4 56	7.1 73	5.9 77	8.8 57	13.4 45	7.5 41	4.8 55
MEDIAN	2.0	5.6	8.2	6.9	9.0	13.3	7.2	5.1

•*Policy Index*: Measures the effectiveness of *Plan Structure*. (Target asset class weights X Return of the respective passive benchmark)

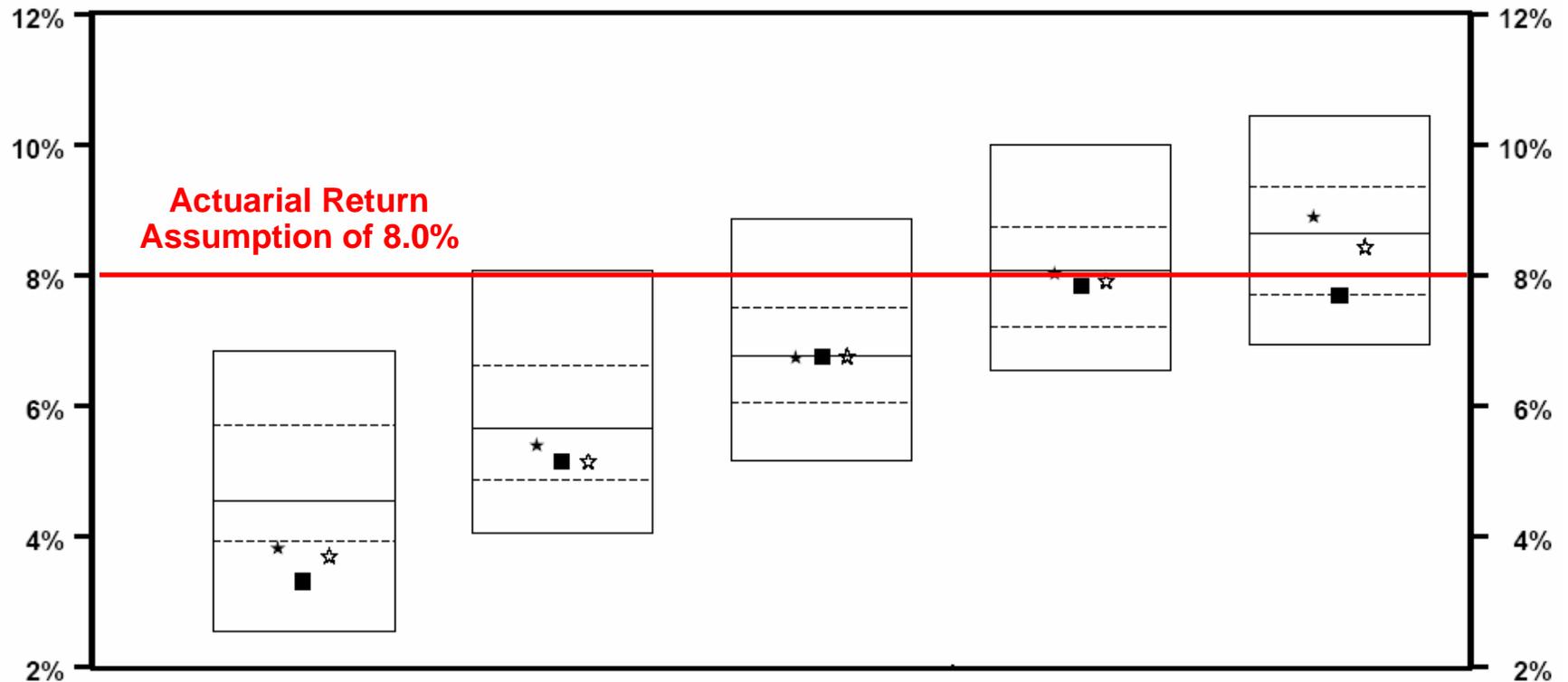
•*Allocation Index*: Measures the effectiveness of *deviating from the target policy weights*. (Policy Index - Allocation Index) Allocation Index = weighted average return of the actual asset class weights and the return of the respective passive benchmark.

•*Composite*: Actual composite return = actual asset class weights times the actual manager return. Measures the *effectiveness of the managers*. (Actual composite return - Allocation Index)



Total Public Funds – Total Rates of Return

As of December 31, 2005



	LAST 6 YEARS	LAST 7 YEARS	LAST 8 YEARS	LAST 9 YEARS	LAST 10 YEARS
★ ERS COMPOSITE	3.8 78	5.4 60	6.7 51	8.0 51	8.9 41
■ ALLOC INDEX	3.3 89	5.2 67	6.8 51	7.8 57	7.7 75
☆ POLICY INDEX	3.7 79	5.2 67	6.8 50	7.9 55	8.4 55
MEDIAN	4.5	5.7	6.8	8.1	8.6

•*Policy Index*: Measures the effectiveness of *Plan Structure*. (Target asset class weights X Return of the respective passive benchmark)

•*Allocation Index*: Measures the effectiveness of *deviating from the target policy weights*. (Policy Index - Allocation Index) Allocation Index = weighted average return of the actual asset class weights and the return of the respective passive benchmark.

•*Composite*: Actual composite return = actual asset class weights times the actual manager return. Measures the *effectiveness of the managers*. (Actual composite return - Allocation Index)



Performance Detail (as of 12/31/05)

	4Q05	Public Rank	Large Rank	Last 1 Year	Public Rank	Large Rank	Last 3 Years	Public Rank	Large Rank	Last 5 Years	Public Rank	Large Rank	Market Value	% of Portfolio	Annual Fee
Employees Composite (GROSS)	2.2%	36	53	6.6%	61	76	13.5%	40	63	4.8%	55	64	\$1,173,785,022	100.0%	0.34%
Employees Composite (NET)	2.2%			6.6%			13.5%			N/A					
Median Public Fund	2.0%			6.9%			13.3%			5.1%					
Median Large Fund	2.3%			7.9%			14.1%			5.3%					
Allocation Index	1.9%			6.0%			13.5%			4.7%					
Policy Index	1.8%			5.9%			13.4%			4.8%					
Large Cap Equity															
Large Cap Equity Composite	2.7%	22		6.5%	33		14.6%	45		N/A			\$336,641,576	28.7%	
Standard & Poors 500	2.1%			4.9%			14.4%			0.6%					
T. Rowe	N/A			N/A			N/A			N/A			\$134,832,049	11.5%	0.30%
PIMCO	N/A			N/A			N/A			N/A			\$133,544,830	11.4%	0.33%
Standard & Poors 500	2.1%			4.9%			14.4%			0.6%					
SSgA	N/A			N/A			N/A			N/A			\$67,887,416	5.8%	0.05%
S&P 500 Equal Weighted	2.5%			8.1%			21.2%			7.7%					
Large Cap Equity Transition Account^	N/A			N/A			N/A			N/A			\$377,281	0.0%	
Small Cap Equity															
Small Cap Equity Composite	0.4%	69		8.1%	39		21.0%	65		N/A			\$145,575,494	12.4%	
Russell 2000	1.1%			4.6%			22.1%			8.2%					
SSgA 2500	N/A			N/A			N/A			N/A			\$48,223,938	4.1%	0.08%
Russell 2500	1.8%			8.1%			23.0%			9.1%					
Wellington	N/A			N/A			N/A			N/A			\$47,864,711	4.1%	0.46%
Russell 2000 Value	0.7%			4.7%			23.2%			13.6%					
Longwood	(1.5%)	96		5.9%	64		N/A			N/A			\$49,107,149	4.2%	0.76%
Russell 2000 Growth	1.6%			4.1%			20.9%			2.3%					
Small Cap Equity Transition Account^	N/A			N/A			N/A			N/A			\$379,696	0.0%	
International Equity															
Int'l Equity Composite	4.4%	48		13.4%	67		22.0%	78		N/A			\$200,754,863	17.1%	
EAFE (After Taxes)	4.1%			13.5%			23.7%			4.6%					
CITI EPAC	4.5%			15.2%			24.3%			5.0%					
Acadian	N/A			N/A			N/A			N/A			\$101,597,320	8.7%	0.48%
Mondrian	N/A			N/A			N/A			N/A			\$97,829,085	8.3%	0.36%
Int'l Equity Transition Account^	N/A			N/A			N/A			N/A			\$1,328,458	0.1%	
EAFE (After Taxes)	4.1%			13.5%			23.7%			4.6%					
CITI EPAC	4.5%			15.2%			24.3%			5.0%					

Note: Results for periods longer than one year are annualized
 ^Transition accounts consist of all cash and securities within the legacy and actual State Street transition account.
 There may be a slight or no dispersion between Gross-of-fee and Net-of-fee returns. This is due to management fee's being paid from an account not included in the plan.



Performance Detail (as of 12/31/05)

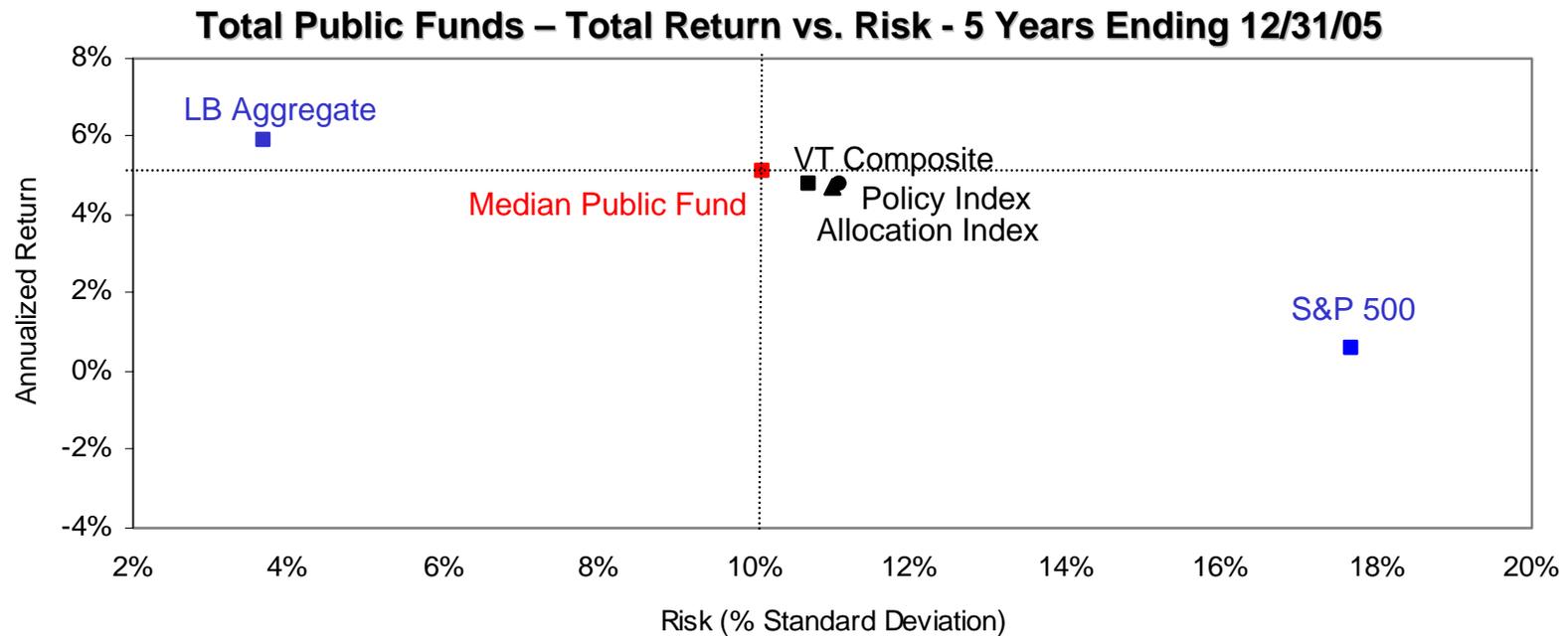
	4Q05	Public Rank	Large Rank	Last 1 Year	Public Rank	Large Rank	Last 3 Years	Public Rank	Large Rank	Last 5 Years	Public Rank	Large Rank	Market Value	% of Portfolio	Annual Fee
Core Fixed Income															
Loomis, Sayles	0.6%	43		1.8%	93		5.1%	13		6.3%	46		\$263,297,417	22.4%	0.15%
Lehman Aggregate Bond	0.6%			2.4%			3.6%			5.9%					
Lehman U.S. Credit	0.5%			2.0%			4.9%			7.1%					
High Yield Fixed Income															
MW Post	1.2%	37		4.1%	20		N/A			N/A			\$57,183,370	4.9%	0.46%
Lehman High Yield	0.7%			2.7%			13.8%			8.9%					
Global Fixed Income															
Global Fixed Income													\$76,179,301	6.5%	
Brandywine	0.0%	34		N/A			N/A			N/A			\$76,151,498	6.5%	0.42%
Deutsche (Cash)	N/A			N/A			N/A			N/A			\$27,803	0.0%	
CITI World Gov't Bond	(1.9%)			(6.9%)			5.7%			6.9%					
Real Estate															
Real Estate													\$79,326,035	6.8%	
UBS Realty	4.7%	22		21.1%	27		15.0%	41		11.0%	45		\$63,578,135	5.4%	0.90%
Transwestern	N/A			N/A			N/A			N/A			\$650,000	0.1%	
Henderson (Cash)	N/A			N/A			N/A			N/A			\$15,097,900	1.3%	0.77%
NCREIF Property Index	5.4%			20.1%			14.4%			11.4%					
Private Investment															
Vermont Investments	3.5%			8.4%			1.6%			(0.8%)			\$6,729,652	0.6%	
Miscellaneous Investment															
RMK Timber	5.1%			14.6%			6.3%			6.4%			\$7,433,990	0.6%	1.00%
NCREIF Timber Index	1.0%			12.9%			8.5%			4.0%					
Cash															
Vermont Cash	4.7%			8.5%			3.9%			4.1%			\$663,324	0.1%	
90 Day U.S. T-Bills	0.9%			3.1%			1.8%			2.3%					

Note: Results for periods longer than one year are annualized

There may be a slight or no dispersion between Gross-of-fee and Net-of-fee returns. This is due to management fee's being paid from an account not included in the plan.



Total Fund Risk / Return Analysis



	Annualized Return		Standard Deviation	
	<u>Value</u>	<u>Rank</u>	<u>Value</u>	<u>Rank</u>
Composite	4.8	55	10.7	31
Allocation Index	4.7	61	11.0	25
Policy Index	4.8	55	11.1	23
S&P 500	0.6		17.7	
LB Aggregate	5.9		3.7	
Median Public Fund	5.1		10.1	